

COASTAL VILLAGES REGION FUND CDQ QUARTERLY REPORT

OCTOBER 1 THROUGH DECEMBER 31, 2003



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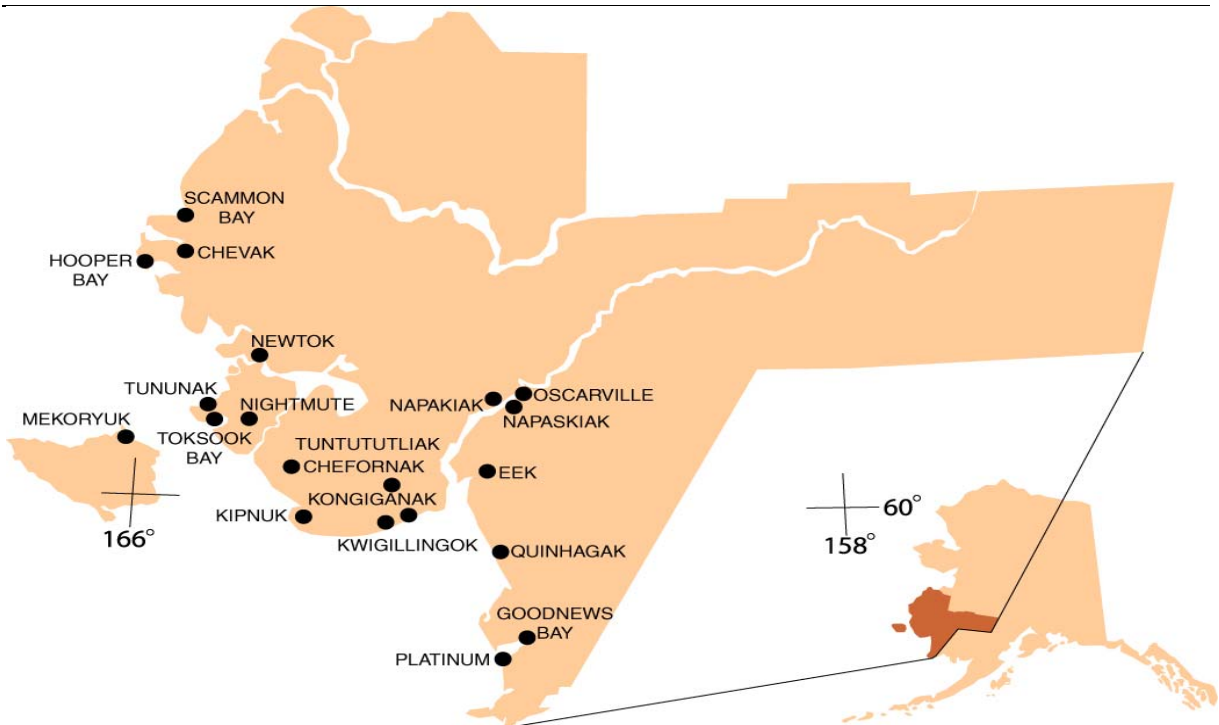


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I. Quarterly Highlights

The Quarterly Highlights section contains an overview of the activities and projects that CVRF had during the 4th Quarter. These highlights will provide the reader with a general understanding of the progress being undertaken by CVRF to accomplish the goals and programs contained within our 2003-2005 Multi-Species CDP.

- CVRF met with Mekoryuk community leaders in October.
- The Executive Director and Board President met with staff from the State of Alaska to discuss CDQ issues in October.
- The CVRF Executive Board held a board meeting in Bethel on October 10, 2003.
- The investment team attended an American Seafoods board meeting in New York City October 28-31, 2003.
- CVRF held its annual board meeting in Bethel November 12-14, 2003.
- CVRF staff attended investment meetings in New York City in November.
- CVRF staff attended a fish expo in Seattle in November 2003.
- Several CVRF staff traveled to Emmonak in November to learn more about the local construction of fishing skiffs.
- CVRF hired an Administrative Assistant and a Community Development Specialist during the 4th Quarter 2003.
- CVRF is currently advertising for a Business Development Administrator and a Community Program Coordinator.
- CVRF staff attended an American Seafoods board meeting in New York City in December.
- The Loan Committee met in November and awarded \$155,367 to fourteen recipients. Two of the recipients declined their loans, making the total to be disbursed for loans in late FY03 and early FY04 \$140,920. The loan training was held in Bethel on December 8, 2003.
- CVS' sockeye salmon has been included in the Atkins Program. You can view the new product on the Atkins website http://atkins.com/shop/products/Salmon_.html.
- Construction on the Scammon Bay fisheries support center began in October.
- Valerie Maxie went to Seattle in October to conduct exit interviews for American Seafoods.
- Halibut bonuses totaled approximately \$6,000 for the top 50 fishermen from the region.
- CVRF sponsored fifty-nine students and twenty chaperones to attend the 2003 Alaska Federation of Natives Elders and Youth Convention.
- The sponsored AFN Elders and Youth Conventions participants attended the Quiana Alaska Night, along with CVRF staff.
- CVRF Staff participated in the Bowl-A-Thon to benefit the Junior Achievement Alaska Program.
- CVRF had an informational booth at the 2003 Alaska Federation of Natives Convention Job Fair.
- CVRF held a youth drawing contest to determine the 2004 Coastal Villages Region Fund calendar. The calendar was sent to all box holders in all twenty communities, as well as board and staff members.
- CVRF staff traveled with an American Seafoods representative to member and other region communities to recruit for "A" Season.
- CVRF programs were presented during a community meeting held in Scammon Bay in November 2003.
- Forty-eight applicants were approved and awarded \$103,161 in scholarships for the Spring 2004 semester.

II. Community Development

A. 2003/2005 Comprehensive Milestone Table for all:

Proposed Projects and Programs:

Offshore Harvesting, Processing, and Investment Program:

Crab Vessel Investments:

1. Investigate vessels or vessel owning companies in the crab sector, including conducting due diligence and researching the issues surrounding the target species when necessary.

No activity during the 4th Quarter.

During the year, Coastal Villages Crab, LLC (CVC) invested 50% in the Blue Dutch, LLC, Sultan Fisheries, LLC, Tempest Fisheries, LLC, Blue Aleutian LLC, Sanko Fisheries, LLC and Karin Lynn Fisheries, LLC, which own the C/P Blue Dutch, F/V Sultan, F/V Tempest, F/V Blue Aleutian, C/P Alaskan Enterprise and the F/V Karin Lynn, respectively.

2. Coastal Villages Crab, LLC will work together with new crab sector investment partners to provide an analysis prior to the fishing season outlining the maximum capacity of the vessel to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

No activity during the 4th Quarter. In the 2nd Quarter, CVC worked with its new crab harvesting and investment partner to provide an analysis of the company's capacity to harvest 2003 Bristol Bay Red king crab. No additional arrangements to lease CDQ to other buyers were necessary.

3. Monitor new investments in the crab sector, including monitoring quota and financial information.

In the 4th Quarter, CVC continued to monitor the results of operations of the Sanko Fisheries, Karin Lynn Fisheries, Blue Dutch, Sultan Fisheries, Tempest Fisheries, and Blue Aleutian.

Groundfish Vessel Investments:

Pollock Investments:

4. Investigate investment opportunities in the pollock sector, including conducting due diligence and researching the issues surrounding the target species.

Confidential, please refer to management for additional information.

5. Coastal Villages Pollock, LLC will work together with new pollock investment partners and harvesters of Coastal Villages fishing rights to provide an analysis prior to the fishing season outlining the maximum capacity of the vessels to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

CVP had no new investment partners in 2003, so no capacity analysis or additional arrangements were necessary.

6. Monitor new investments in the pollock sector, including monitoring quota/fishing rights and financial information.

CVP had no new investments in the pollock sector in 2003, so quota harvest monitoring and performance monitoring were not necessary.

Pacific Cod Investments:

7. Investigate vessels or vessel owning companies in the pacific cod sector, including conducting due diligence and researching the issues surrounding the target species when necessary.

No activity during the 4th Quarter.

During the year, Coastal Villages Longline, LLC (CVL), investigated one vessel currently participating in the P-cod sector. However, no investments were made.

8. Coastal Villages Longline, LLC will work together with new pacific cod investment partners to provide an analysis prior to the fishing season outlining the maximum capacity of the vessel to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

CVL had no new investment partners in 2003, so no capacity analysis or additional arrangements were necessary.

9. Monitor new investments in the pacific cod sector, including monitoring quota and financial information.

CVL had no new investments in the Pacific cod sector in 2003, so quota harvest monitoring and performance monitoring were not necessary.

Flathead/Rock Sole/Yellowfin Sole Investments:

10. Investigate vessels or vessel owning companies in the Flathead/Rock Sole/Yellowfin sole sector, including conducting due diligence and researching issues surrounding target species when necessary.

No activity during the 4th Quarter.

During the year, Coastal Villages Groundfish LLC (CVG) conducted preliminary investigation of a vessel owning company in the flathead, rock and Yellowfin sole sector. However, no investments were made.

11. Coastal Villages Groundfish, LLC will work together with new investment partners to provide an analysis prior to the fishing season outlining the maximum capacity of the vessel to harvest target species. If necessary, additional arrangements will be made to lease the harvesting rights to other buyers.

CVG had no new investment partners in 2003, so no capacity analysis or additional arrangements were necessary.

12. Monitor new investments in the Flathead/Rock Sole/Yellowfin sole sector, which includes reviewing quarterly and annual financial information.

CVG had no new investments in the Flathead/Rock Sole/Yellowfin sole sector in 2003, so quota harvest monitoring and performance monitoring were not necessary.

Inshore Harvesting, Processing, Investment and Infrastructure Program:

Fuel Delivery:

13. Facilitate early spring fuel deliveries and/or reserves to insure that local fishermen will have necessary fuel for fishing for the season.

No activity in the 4th Quarter. CVRF canvassed all membership villages in February 2003 to help identify needs for bringing in additional gasoline for spring commercial fishing. During the 3rd Quarter, CVRF loaned \$149,320 to Nunakauiak Yupik Corporation (Toksook Bay) and \$62,000 to Kugkaktlik Limited (Kipnuk) for the purpose of purchasing bulk fuel for the community.

14. Investigate retail fuel opportunities in the region as a means to provide affordable fuel to fishermen.

CVRF continued to investigate retail fuel opportunities in the region as a means to provide affordable fuel to fisherman. Currently, the rumored sale of Yukon Fuel is being closely monitored due to the limited number of service providers in our region.

New Halibut Plant:

15. If adequate halibut quota is available, expand halibut buying operations in one additional community.

No activity during the 4th Quarter. During the 1st Quarter of 2003, CVS signed a contract with the Paug Vik Corporation to build additional halibut plants in Mekoryuk and Toksook Bay to expand their existing operations. Both plants were completed in the 3rd Quarter. However, operations at these facilities will not begin until the 2004 halibut season.

16. Operate using a local work force. Hire outside workers only to teach certain skills to local workers.

All plant managers for the halibut plants are local residents. All recruiting efforts for employees were focused in region.

17. After plant is built, have plant operational and ready to buy halibut by June 1. Plants will begin buying halibut when fishermen begin fishing.

Halibut plant opening ceremonies were held in Toksook Bay in September and in Mekoryuk in October. Though both plants were completed in the 3rd Quarter, operation will not begin until the 2004 Halibut Season.



Mekoryuk Plant Opening

Commercial Fisheries Support Businesses:

18. Assist in starting one or more businesses that support the Inshore Program, through loans and other technical services - potential businesses include, gear suppliers, construction contractors, and repair services.

Construction of the first Fisheries Support Center began in October in Scammon Bay. Construction is expected to be completed in the 1st Quarter of 2004. CVRF business development staff continued planning for other fisheries support buildings to be constructed in 2004. Business Development Specialists visited 13 CVRF communities during the 4th Quarter to discuss possible fisheries support center projects.



Project Management:

19. At the request of the communities, CVRF will assist in receiving funding for community projects, by providing technical support in grant preparation or referring them to a qualified grant writer.

CVRF submitted a joint proposal to the State of Alaska, Department of Community and Economic Development for \$90,000 to be used for the DCED lower Kuskokwim community-mapping project. CVRF received resolutions to participate from the following villages: Mekoryuk, Platinum, Eek, Goodnews Bay, Nightmute, Tununak, Quinhagak, and Tuntutuliak. In addition to securing matching funds for the project, CVRF has entered into a MOA with DCED to coordinate the mapping project for these eight villages.

20. Assist communities with planning of community projects and implementation of procedures to operate projects effectively and efficiently.

CVRF is participating with the planning of the community-mapping project – see milestone #19.

New Operations for Other Species in the Region:

21. Investigate other species in the region to determine the feasibility of providing operations to buy these species from local fishermen – potential species are Tom Cod and Saffron.

CVRF business development specialists have visited Hooper Bay, Kipnuk, Chevak, Quinhagak, Goodnews Bay, Platinum, Eek, Kwigillingok, Chefornak, Tuntutuliak, Scammon Bay, Mekoryuk and Napakiak in the 4th Quarter. During the visits, various species of fish including tomcod, sticklebacks (needlefish), burbot (lush) & whitefish were examined and sampled.

22. If feasible to harvest and market, provide buying stations and processing facility for the fishermen.

In the 4th Quarter, no actions were taken on this milestone. See milestone #21.

23. If feasible to harvest and market, hire local residents to operate facility through Coastal Villages Seafoods with the intent to turn over to the community.

In the 4th Quarter, no actions were taken on this milestone. See milestone #21.

Marine Safety Program:

24. Implement a marine safety program for local fisherman that will provide training and awareness skills regarding prevention of marine accidents and safeguards.

CVRF ordered and delivered buoys for Cheforak, Kipnuk, Hooper Bay, Goodnews Bay, Mekoryuk, Quinhagak, Toksook Bay, Tununak and Tuntutuliak to help reduce marine accidents throughout the region. CVRF is in the planning process of ordering buoys for the remainder of the communities that have shown a need for buoys, and have not already received them. These communities include: Chevak, Scammon Bay, Nightmute, Kongiganak, Kwigillingok, Eek, Napakiak and Napaskiak.

25. Develop a safety packet or brochure to distribute to the residents of our communities that illustrates safety procedures.

CVRF has gathered information from the United States Coast Guard via their website, www.uscg.mil/hq/g-m/cfvs/decals.htm and has obtained verbal permission to re-print the safety brochures.

26. Assist fishermen in purchasing proper safety equipment through the Loan Program and paid through our fishermen advances.

CVRF continues to provide outreach to our member communities with the Loan Program and to inform the community members that the program allows for them to purchase of safety equipment, such as depth/fish finders and global positioning systems.

27. Provide CVRF communities the necessary navigational and/or preventive provisions to aid in marine safety, rescue, or prevention.

CVRF worked with the local tribal councils and search and rescue team leaders to determine what the needs of our communities are regarding the navigational and preventive provisions that aid in marine safety, rescue, and prevention. Through this process, CVRF ordered and delivered buoys for Cheforak, Kipnuk, Hooper Bay, Goodnews Bay, Mekoryuk, Quinhagak, Toksook Bay, Tununak, and Tuntutuliak.

Insurance Cooperative for the Fishermen:

28. Investigate the potential of organizing a marine insurance fleet program for regional fishermen to reduce their insurance costs.

CVRF has contacted Ribelin Lowell & Co. about the possibility of brokering a marine insurance fleet program for regional fishermen to reduce their insurance costs. CVRF is also researching additional options in insurance packages, and comparing the benefits the packages would provide to the region's fishermen.

Active Projects and Programs:

Offshore Harvesting, Processing, and Investment Program

Crab Vessel Investments (50% owner of Silver Spray):

29. Silver Spray and Coastal Villages Crab, LLC will work together to provide an analysis prior to the fishing season outlining the maximum capacity of the Silver Spray to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

In the 4th Quarter, CVC worked with its crab investment partner Silver Spray Fisheries, LLC (Silver Spray) to provide an analysis of the company's capacity to harvest 2004 Opilio (snow crab). No additional arrangements to lease harvesting rights to other buyers were necessary.

30. Continue to monitor the investment in Silver Spray, to include monitoring quota and financial information.

Throughout the year, CVC continued to monitor the results of operations of Silver Spray. Silver Spray did not harvest any of CVRF's CDQ in 2003.

Groundfish Vessel Investments:

Sablefish Vessel Investments (45% owner of Kokopelli Fisheries):

31. Kokopelli Fisheries and Coastal Villages Longline, LLC will work together to provide an analysis prior to the fishing season outlining the maximum capacity of the Ocean Harvester to harvest target species. If necessary, additional arrangements will be made to sell the harvesting rights to other buyers.

No activity during the 4th Quarter. In the 1st Quarter, CVL worked with its sablefish (black cod) and halibut harvesting and investment partner Kokopelli Fisheries LLC (Kokopelli) to provide an analysis of the company's capacity to harvest 2003 sablefish and halibut. In the 2nd Quarter, CVRF transferred 60,000 mt of Aleutian Islands sablefish (black cod) to YDFDA for harvest by their contracted vessel.

32. Continue to monitor the investment in Kokopelli, to include monitoring quota and financial information.

Throughout the year, CVRF continued to monitor the 2003 CDQ Sablefish harvest, and results of operations of Kokopelli.

Pacific Cod Vessel Investments (20% owner of Ocean Prowler, 20% of Prowler and through American Seafoods, 31.16% owners of Pacific Longline Company):

33. Ocean Prowler, Prowler and Coastal Villages Longline, LLC will work together to provide an analysis prior to the fishing season outlining the maximum capacity of the Ocean Prowler to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

No activity in the 4th Quarter.

34. Continue to monitor the investment in Ocean Prowler and Prowler, including monitoring quota and financial information.

Throughout the year, CVL was unable to monitor its investments in Ocean Prowler and Prowler. Neither Ocean Prowler nor Prowler harvested any of CVRF's CDQ in 2003.

35. Pacific Longline Company and Coastal Villages Pollock, LLC will work together to provide an analysis prior to the fishing season outlining the maximum capacity of PLC fleet to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

In the 4th Quarter, CVP worked with PLC to assess the fleet capacity in 2004. No additional arrangements were necessary.

36. Continue to monitor the investment in Pacific Longline Company, to include monitoring quota and financial information.

Throughout the year, Coastal Villages Pollock, LLC (CVP) continued to monitor the 2003 open access and CDQ Pacific cod harvest, and results of operations of PLC.

37. Explore the possibility of expanding our equity interest in Ocean Prowler and Pacific Longline Company.

No activity during 2003.

Pollock Vessel Investments (38.95% owner of American Seafoods):

38. American Seafoods and Coastal Villages Pollock, LLC will work together to provide an analysis prior to the fishing season outlining the maximum capacity of the American Seafoods vessels to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

In the 4th Quarter, CVP worked with PLC to assess the fleet's capacity in 2004. Additional leasing arrangements were not necessary.

39. Coastal Villages Pollock, LLC will continue to participate on the American Seafoods board of directors in an effort to monitor the investment, retain a voice in the operation of the company, and assist in furthering the purposes of the company.

CVP has had active participation on the American Seafoods board since the completion of the investment. During 2003, the Executive Director and the Director of Finance have participated in every American Seafoods board meeting.

40. Explore the possibility of expanding our equity interest in American Seafoods.

Confidential, please refer to management for additional information.

Flathead/Rock Sole/Yellowfin Sole Investments (20.09% owner of the Cape Horn Fisheries):

41. Cape Horn Fisheries and Coastal Villages Goundfish, LLC will work together to provide an analysis prior to the fishing season outlining the maximum capacity of the Cape Horn to harvest target species. If necessary, additional arrangements will be made to lease harvesting rights to other buyers.

No activity in the 4th Quarter.

42. Continue to monitor the investment in Cape Horn, including monitoring quota and financial information.

Throughout the year, CVG continued to monitor Cape Horn financial information. Cape Horn did not harvest any of CVRF's CDQ in 2003.

Inshore Harvesting, Processing, Investment and Infrastructure Program:

Kuskokwim Bay Salmon Operation:

43. CVS will continue to develop its quality products relevant to the market and develop a regional marketing program tied to quality standards.

CVS applied for the Alaska State Salmon Marketing grant during the 1st Quarter of 2003. This grant is specifically designed to promote regional branding and promotion of salmon products. The grant is administered through the State of Alaska's Department of Community and Economic Development. Coastal Villages Seafood applied for \$129,000 worth of funding for 2003. During the 2nd Quarter CVS was notified that the grant had been awarded for \$120,000.

During the 2003 salmon season, a mandatory bleeding requirement was imposed to supplement the mandatory icing program already in place. The resulting product was well received by the market. Roe production was also increased due to the higher quality of the roe resulting from the mandatory icing and bleeding program.

44. Purchase all District W-4 and W-5 salmon each year.

During the 2003 salmon season, Coastal Villages Seafoods, LLC purchased all of the salmon in area W-4 and W-5 (Goodnews Bay and Quinhagak). CVS was also the only buyer during the August coho season in the Eek Island area (District W-1). However, there were two other buyers in District W-1 upstream from where CVS was purchasing.

45. Assist fishermen by providing advances for gear and fuel purchases, and paying fishers in a timely manner upon delivery.

Gear advances of up to \$500 were made available to all eligible halibut and salmon fisherman who were residents of our 20 communities. Over 95% of all fish payments were made on the first business day after delivery to a plant and immediately sent out to the fishermen.

46. Conduct successful employment and training program, including filling all available positions with local hire, with outside workers hired only to acquire and teach a certain skill level.

All recruiting effort for employment was focused in region. Throughout the year, CVS employed 162 individuals for its salmon operation in Quinhagak. All but 1 of the crew were recruited from the CVRF and surrounding region.

47. Investigate transportation savings and/or opportunities in the region to support the shore side processing projects by reducing costs.

Transportation and logistics issues are perhaps the number one problem for our salmon operation in Quinhagak. Therefore, it is monitored on a continual basis. In 2003, a state of the art production freezer was installed at the salmon processing facility in Quinhagak. This acquisition has helped to decrease CVS's airfreight expense. Currently, a high-speed boat is being evaluated to see if airfreight costs can be reduced. Other options such as shipping halibut into Quinhagak during off peak salmon season for freezing is also being evaluated for potential airfreight cost savings.

Halibut Operation:

48. CVS will continue to operate the six community halibut plants and purchase halibut at the plant in Quinhagak.

All six halibut plants were operational in 2003. The salmon processing facility in Quinhagak landed a minimal amount of halibut.

49. Conduct successful employment and training program, including filling all available positions with local hire, with outside workers hired only to acquire and teach a certain skill level.

All plant managers for the halibut plants are local residents. All recruiting effort for employment was focused in region. Throughout the year, CVS employed 168 individuals for its halibut operations. All employees were from the CVRF region.

CVS reapplied and received a STEP training grant from the State of Alaska for 2004 season. Tentative training dates have been set and plans are being made for training region residents.

50. Have each plant operational and ready to buy halibut by June 1. Plants will begin buying halibut when fishermen begin fishing.

The Toksook Bay, Mekoryuk, Hooper Bay, Kipnuk and Chefornak plants were operational prior to the fishing season. Due to some complications in the lease agreement, the halibut plant in Tununak opened up slightly behind schedule.

51. Process all 4E halibut in local plants each year.

During the 2003 halibut season, CVS purchased and processed 175,863 pounds of halibut at the local plants.

Herring Operation:

52. CVS will analyze the success and hindrances with the price-incentive herring program started in 2002 and determine whether to continue, modify, or terminate the program, in conjunction with the herring fishermen.

Through an agreement with Norquest, CVS participated in the following districts in 2003: Goodnews Bay, Nelson Island, Nunivak Island, Cape Avinof and Cape Romanzof. CVS was the only buyer in these five regions.

53. Assist fishermen in achieving a higher roe recovery rate, through training and education, if such a project is determined to be feasible.

CVS has a gear advance program for herring fishermen that requires purchase of a minimum mesh size to promote the catch of larger more mature herring. To incent the fisherman into targeting higher roe percentages, CVS paid bonuses based on roe percentages: i.e. the fisherman received \$50 per ton in bonuses if their herring roe recovery was 10%. For 12% herring the fisherman received \$160 per ton from CVS.

54. Conduct herring committee meetings in order to get the public opinion of the fishery.

The CVS board dissolved the herring committee during the 1st Quarter of 2003. The CVS board was expanded from 3 to 5 in order to retain the members of the herring committee. The CVS board met several times during the 1st Quarter of 2003 to discuss herring. In order to gauge the public opinion, CVS COO visited a community in each of the five herring districts before the season began.

Sportfish Guiding Service (33.3% owner of the Arolik River Sportfishing):

55. CVRF will continue to participate in the sport fish guiding industry within the region as an investor and will consider expansion into additional areas within its region.

CVRF continues to participate in the sport fish guiding industry as a partner in Arolik River Sportfishing, LLC. CVRF also continues to watch for new investment opportunities in the industry.

56. For any expansion or additional investments, CVRF will complete its due diligence process, and decide whether or not to proceed.

At the June 2003 board meeting, the Board directed the staff to gauge the communities' interests and support in expanding activities in the sportfishing sector. In response to this directive, preliminary discussions were held in Quinhagak with representatives from Kanektok River Safari, Inc. (our partner in Arolik River Sportfishing), and CVRF staff has begun discussions with other villages to explore interest in the sector. In November 2003, the Board approved a budget for 2004 for developing up to three new sportfishing camps. CVRF will continue to gauge community interest in sportfishing businesses and will conduct due diligence as necessary.

57. Continue to monitor the investment in Arolik River Sportfishing, LLC.

Despite the lingering effects of September 11, the management of Arolik was able to book the summer almost to full capacity. There were only a few holes in bookings during the middle of the summer, with the rest of the season (ending approximately August 29) fully booked. Fishing was outstanding this year, and due to low water levels there were few to no "outside" charter companies using the river. As partners, CVA will continue to monitor the investment and will continue to plan for the 2004 season.

4-SITE Program:

4-SITE Project and Support Services:

58. Award scholarships for region residents for academic or vocational training.

The LBMS Advisory Committee met in December to review applications. Forty-eight applicants were approved and awarded \$103,161 in scholarships for the Spring 2004 semester.

A total of \$139,315 was dispersed to 77 LBMS award recipients in 2003.

The next deadline is May 31, 2004 for the Fall 2004 semester.

59. Maintain a scholarship committee that reviews all applications for scholarships.

A CVRF scholarship committee has been established to oversee the administration of the Louis Bunyan Memorial Scholarship and review all of the scholarship applications. The next committee meeting is scheduled in July 2004.

60. Make available internships and apprenticeships within CVRF, its subsidiary companies, and its affiliated partner companies to prepare region residents for management positions in the companies and fishing industry.

CVRF hired two interns from the region during 2003, Edward Kiokun of Mekoryuk and Anthony Boy Scout of Chevak. Both completed 3-month internships at CVRF's Anchorage office.

CVRF plans on advertising to hire another intern during 2004.

61. Continue to require interns to design and complete, as a requirement of their internship, village-based improvement projects that support or compliment a goal identified in CVRF's Community Development Plan, or an administrative plan used by CVRF or its partners.

Administrative Program Assistant Intern, Edward Kiokun's project was to create a checklist information sheet for each applicant file for ease in entering information into the CVRF 4-Site database.

Administrative Assistant Intern, Anthony Boy Scout's project was to conduct research on CVS employment, as well as the purchasing and marketing of salmon products.

62. Conduct training programs for region residents to build skills required in the companies in the fishing industry.

During the 1st and 2nd Quarters, CVRF held training programs in Refrigeration, HACCP, and Fillet/Mince Training sessions in preparation for the 2003 salmon and halibut season. Successful participants were hired by CVS and employed in the 3rd Quarter. CVRF has dates set during the 1st Quarter of 2004 for the same training for qualified residents of the region.

63. Continue to staff the CVRF's 4-SITE program to conduct training and job placement.

The 4-SITE program support staff includes the Community Development Plan Coordinator, Community Development Administrator, Employment Coordinator, Rural Recruiter, Community Program Managers, and Community Liaisons. CVRF staff conducts and supports the mission of the 4-SITE program and related services to each of our 20 member communities. CVRF has 10 Community Liaisons in the region.

64. Conduct a recruitment and employment program for village residents in a variety of job and career opportunities in fisheries and related service industries. Fisheries and related service industries include: crab processing, bottom trawling, pacific cod, sablefish/halibut, pollock, halibut processing, salmon processing, value-added, and non-CDQ processing.

The Rural Recruiter and Community Liaisons recruited in member communities and other region villages for processors/crewmembers positions with CVRF fishing industry partners.

65. Initiate and maintain Skills for Success Program with member villages to assist region residents in understanding the requirements of the work place, becoming eligible to enter into employment, and developing the skills to be successful.

The Orientation for Success was held in January and May 2003, and was presented to 19 first time crewmembers that were offered positions with American Seafoods for the A/B Seasons during the 1st and 2nd Quarters. There was no activity in the 4th Quarter. Another Orientation for Success is planned to take place in January 2004.

In July, September and December, CVRF held staff development training sessions for Community Liaisons in Bethel.

66. Sponsor Junior Achievement of Alaska in member villages and facilitate the expansion of the program throughout the region.

CVRF expanded Junior Achievement program to include nine additional villages which are: Tuntutuliak, Newtok, Napakiak, Oscarville, Tununak, Quinhagak, Kongiganak, Chefornek, and Eek. The Community Liaisons have met with school site administrators and teachers to schedule classes. JA classes have been held in several of the communities.

67. Continue to initiate and maintain Coastal Villages Youth Leadership Program (CVYLP) in member villages.

In the 4th Quarter of 2003, CVRF continued to maintain its Youth Leadership program in Mekoryuk, Toksook Bay, Chevak, Chefornek, Eek, Goodnews Bay, Napakiak, Napaskiak, Newtok, Oscarville, Scammon Bay, Tununak, and Tuntutuliak. Youth Groups in other communities have been suspended due to the loss of staff in these communities.

68. Continue to initiate and maintain Rural Education Adult Development (READ) program for member village residents.

In the 1st Quarter of 2003, CVRF continued to initiate and maintain its READ program for all 20 member communities. Eighty-six (86) people registered for tests of adult basic education skills, and 3 earned general educational development (GED) diplomas this quarter.

As of June 30, 2003, 98 people were registered for tests of adult basic education (TABE) skills, with seven completing testing. In the 2nd Quarter, one resident earned his general educational development (GED) diploma, and one additional resident completed GED testing.

During the 3rd Quarter of 2003, Coastal Villages Region Fund had decided to reduce its involvement in maintaining the READ Program. However, our resources are still available for village residents through the Louis Bunyan Memorial Scholarship (LBMS) Program for those that want to travel to Bethel to attend a two-week GED program at KUC. In the 2nd Quarter, three residents earned their GED diploma through the LBMS Program. There were no requests for adult education during the 4th Quarter.

69. Outgoing first time crewmembers will participate in the Coastal Villages' "Orientation for Success.

The Orientation for Success was held in January and May 2003, and was presented to 19 first time crewmembers that were offered positions with American Seafoods for the A/B Seasons during the 1st and 2nd Quarters. There was no activity in the 4th Quarter. Another Orientation for Success is planned to take place in January 2004.

Fisheries Support & Development Project:

Loan Program:

70. Maintain the CVRF loan program serving the needs of individual commercial fishermen and fisheries-related businesses in region.

The total funding dispersed in 2003 from loans approved in November 2002 was \$118,373. The March 2003 loan round resulted in \$130,282 being dispersed for eleven individual commercial fishermen.

In November 2003, the loan committee approved loans for fourteen individuals totaling \$161,367. The loan training class was held on December 8, 2003 and was taught by CVRF staff. Two loan recipients opted out of the program. In 2003, \$31,616.92 was dispersed, with approximately \$105,000 remaining to be dispersed in early 2004.

The deadline for applications for the next round of loans is scheduled for February 15, 2004.

71. Continue to provide the opportunity to assist fishermen in the purchase of additional halibut and sablefish Quota Shares.

During the year, CVRF did not receive any requests to purchase halibut or sablefish quota.

72. Continue to conduct an outreach initiative to promote the loan program in the region.

The loan program continues to be promoted in the company newsletter, the annual report, the website, the Delta Discovery, and the Tundra Drums as well as being broadcasted on KYUK and KCUK radio stations. The loan program was also promoted in the twenty communities with flyers and applications were available locally.

73. Continue Loan Committee Meetings to discuss Loan Program, review applications, and address areas needing modification.

The loan committee met on March 25, 2003 to review and make determinations on the March 15, 2003 round of applicants. Committee members offered suggestions on how to improve the review process. These changes were implemented in October 2003 with the next round of applicants.

The loan committee met on May 5, 2003 to discuss policies and procedures. Minor revisions were made to the applications in the 2nd Quarter to improve the application and review process.

The Loan Committee met on November 12, 2003 to analyze the applications received and approve the appropriate loan requests. Updates to the written loan policies and procedures were reviewed and approved. Also in November, the loan committee decided to shorten the lengths of loans from seven to five years in order to better reflect the life of the equipment purchased with the loans.

Tax and Permit Assistance Program:

74. Continue to Support VITA program in CVRF member villages during the tax-filing season.

CVRF continued to support the volunteer income tax assistance (VITA) program administered by the Alaska Business Development Center by funding travel expenses for volunteers to visit 12 CVRF member communities. This program had contributed to the filing of 1,242 federal tax returns, which resulted in net refunds of \$1,292,556 to CVRF region residents. During the 2nd Quarter, tax preparers visited 2 communities, and assisted 70 residents. 14 of 20 CVRF communities received assistance in 2003 from VITA and other CVRF supported contractors.

Preparations were started with Alaska Business Development Center (ABDC) for the 2004 Tax Season. CVRF staff has started making the necessary arrangements for ABDC to be available in the communities for assisting residents with tax preparation.

75. Assist taxpayers who are in danger of losing their permits.

Throughout the year, CVRF received no requests for assistance with IRS liens from area residents.

76. Help or refer local residents who are requesting tax assistance.

Throughout the year, CVRF received no requests for tax assistance from community residents.

77. Obtain permits for fishermen from the CVRF region.

Notices were sent to each community informing them of the need for halibut commercial fishing permits. Changes in subsistence permits for halibut were also relayed to each community. Information was sent to the state for all fishermen who applied for a CDQ Halibut permit as well as all fishermen who had a CDQ permit in 2002. Permits were sent out by the state and received by the fishermen during the 2nd Quarter.

Information was relayed to the community residents, as well as others of the residency requirements and the discontinuation of auto renewal for obtaining a CDQ Halibut permit via written notice and by notice in the 3rd Quarter Newsletter.

Outreach Plan:

Outreach Project:

78. Provide information to the member communities, through various formats, on opportunities available through the CDQ program, on activities undertaken by CVRF and its subsidiaries, and on the region's fishing industry.

Throughout the year, newspaper ads were placed with the Tundra Drums and Delta Discovery on the 4-SITE and CVRF Revolving Loan programs. Additionally, fliers advertising the programs were provided for posting and application packets were made available to the twenty communities for distribution locally through either a CVRF office or a local governing entity office.

79. Continue to provide CVRF newsletters and annual reports to the region.

The CVRF spring and fall newsletters were distributed to every CVRF member box holder and region business contacts.

The 2002 Annual Report was distributed to every box holder in all twenty communities as well as to CVRF company contacts in June 2003. Staff began planning, conducting research and drafting articles for the 2003 Annual Report.

The Winter Newsletter is being prepared for distribution to every box holder in all twenty CVRF communities, as well as to other business contacts.

80. Continue to support potlatches in the region.

CVRF continues to support community gatherings and potlucks. In the 1st Quarter, CVRF, CVS, and American Seafoods contributed to potlatches in Chevak and Hooper Bay. In the 2nd and 3rd Quarters, CVRF contributed approximately \$6,900 to this effort in 13 communities. In the 4th Quarter there was a total of \$2,739 distributed for the support of potlatches.

81. Maintain and update website of all CVRF affiliated organizations.

The CVRF website was designed in 2001 and can be found at www.coastalvillages.org. CVRF continues to monitor the website and update it when necessary.

82. Assist communities in planning for projects that can be supported by the CDQ program (i.e., fisheries-related) or that require support from outside funding sources.

In the 1st Quarter of 2003, CVRF began the process of initial planning for a comprehensive, fisheries-related construction plan for 2003-2005, including unified community support and land/site selection. CVRF also assisted one community in initial planning for a project that falls outside of current CDQ regulations.

CVRF submitted a mini-grant proposal to the State of Alaska Department of Community and Economic Development for \$90,000 to be used for the DCED lower Kuskokwim community mapping project. CVRF received joint application agreements from the following villages: Eek, Goodnews Bay, Quinhagak, Kongiganak, Mekoryuk, Nightmute, Tuntutuliak, and Tununak. In addition to securing matching funds for the project, CVRF has entered into a MOA with DCED to coordinate the mapping project for these eight villages.

83. Participate in the CDQ Human Resources Group to improve employment programs in CVRF-related programs and in the fishing industry.

The CDQ Human Resources Group did not meet in 2003.

84. Participate in the development of the inter-organizational committee for regional training initiatives.

CVRF continues to participate on an inter-organizational committee, the Yuut Elitnavviat (Peoples Learning Center) committee. The committee members include: CVRF, Yukon-Kuskokwim Health Corporation, Lower Kuskokwim School District, UAF Kuskokwim Campus, the Alaska National Guard, the Association of Village Council Presidents (AVCP), AVCP Regional Housing Authority, and the City of Bethel. The regional learning center will provide learning services to both youth and adults needing additional skills to enter high skilled, high wage jobs, and to further baccalaureate or graduate programs.

85. Support and operate programs that will assist region residents to become successful role models and leaders in their communities.

CVRF provides human resource development opportunities to member residents through the 4-SITE and Support Service programs (Junior Achievement, Youth Leadership, and Adult Education). CVRF now has ten local Community Liaisons along with two Community Program Managers at CVRF member communities to facilitate delivery of these programs. The Anchorage CVRF office has daily contact with the Community Liaisons and Community Program Managers.

CVRF Development Project:

CVRF Development Project:

86. Conduct on-going analysis of capabilities and performance of staff, board and resources in the region.

The staff receives annual evaluations to help management analyze their capabilities and performance. As indicated by review of projects and resources, additional staff were added in the Anchorage office and in the member communities in order to better meet the needs of the region.

87. CVRF will maintain “Standards of Leadership” for Board of Directors by annual review of Board standards policies and administration of Oath of Office.

All Board members are held accountable to the Standards of Leadership. Any behavior by a Board member acting in conflict with those standards is addressed through the Board’s formal disciplinary process. All new Board members receive copies of the Standards of Leadership and other Board policies pertaining to their service on the CVRF Board.

88. Continue to implement the 360-degree performance feedback system for senior management.

The Board of Directors performed an evaluation of the Executive Director during the November Annual Board Meeting. The Investment Team did a 360° evaluation in the 4th Quarter.

89. CVRF will maintain its Continuous Improvement (CI) Model for Board and Management, including the holding of an Annual Board Retreat.

A Board Retreat was held in May to continue CVRF’s maintenance and education of its board. Management continues to improve their knowledge and expertise by attending seminars, classes and other activities associated with training.

General and Administration:

Administration:

90. Adopt an annual budget and submit to the State by December 15.

CVRF prepared the 2003 budget and the Board approved it in November of 2002. The budget was submitted to the State by the December 15 deadline. The 2003 budget revision was approved by the Board at the August meeting and substantial amendment #2003-15CV was submitted and approved in September.

CVRF prepared the 2004 budget and the Board approved it in November of 2003. The budget was submitted to the State by the December 15 deadline and is awaiting approval.

91. Monitor the budget to actual comparisons and make revisions as necessary to allow for unexpected items or changes in the expectations for the year. This monitoring process should include monitoring both by staff on a frequent basis and monitoring by the board of directors by presenting the budget to actual reports to the board at board meetings.

CVRF has submitted monthly budget-to-actual reports to the board Treasurer, in addition to providing quarterly budget-to-actual reports to the full board. Staff review budget to actual reports on a monthly or as-needed basis. Revisions were made to the 2003 budget in August, approved by the Board, and were submitted to the State in Amendment #2003-15CV.

92. As a compliment to CVRF's sophisticated budgeting process, CVRF will develop monthly cash flow projections.

At the same time that CVRF's budgets are prepared, cash flow estimates are also prepared. The cash flow estimates are adjusted as revisions to the budgets are made.

93. Prepare monthly consolidated financial statements for review by CVRF management and the CVRF Board Treasurer.

Monthly financial statements have been sent to the Board Treasurer and given to the Finance Director for review. Quarterly financial statements are also presented to the Full Board at the meetings.

94. Continue to develop and maintain the written CVRF accounting procedures.

Accounting procedures were written for all major accounting functions in 2001. CVRF continues to improve upon the procedures and update the memos as necessary.

95. Submit quarterly and annual reports, financial audits, and meet other regulatory deadlines.

The 1st, 2nd, and 3rd Quarter reports were, and the 4th Quarter report is being, submitted on time. The 2002 annual agreed upon procedures and financial audits were started in March 2003 and are complete. The 2003 annual agreed upon procedures and financial audits are scheduled to begin in February 2004. Coastal Villages has met all regulatory deadlines.

96. Conduct a minimum of four full board meetings a year and other executive board or subsidiary board meetings as needed.

The CVRF Full Board met in March, April, June, and August 2003. Meetings were held in Bethel and Anchorage. The Annual Board Meeting was held on November 12 –14th in Bethel.

The Executive Board met January 25, January 31, February 7, March 25, July 16, August 6, October 10, and December 6, 2003. Meetings were held in Bethel and Anchorage.

97. Prior to all Full Board Meetings, provide Board Packets to all Board members.

Each Board of Director receives a Board Packet in the mail prior to a Full Board Meeting for review so that they are prepared for the meeting.

98. Prepare all election process materials according to the corporate bylaws and Alaska Statutes, for distribution to each community's governing body that have a seat up for re-election by August 1st of each year.

Elections were completed in the following communities: Napakiak, Chefnak, Scammon Bay, Chevak, Goodnews Bay, Mekoryuk, and Nightmute. There were no changes on the CVRF Board, with the exception of George Smith being elected to represent Scammon Bay.

99. Follow the State CDQ requirements that state that an elected representative from the community is a domiciled resident of that community and all board members are from the region.

All 20 Board Members are domiciled in the CVRF communities.

100. Monitor the quarterly board members communication to their governing body to ensure communities are being informed of activities and accomplishments of CVRF and subsidiaries.

A summary of the 1st, 2nd, and 3rd Quarter Board meetings was provided to each board member for reporting to communities.

A summary of the Annual Board Meeting is being prepared to send to each Board member for reporting to communities.

101. Continue to monitor and analyze the operations of the company in terms of staffing, and add new positions when necessary in order to continue to improve the efficiency and effectiveness of operations.

1st Quarter

General Accountant
Business Development Specialist
9 Community Liaisons

2nd Quarter

Senior Accountant
3 Community Liaisons
Promoted a temporary Account Clerk to a full time position

3rd Quarter

Community Program Coordinator
Community Development Administrator
Community Development Plan Coordinator
1 Community Liaison

4th Quarter

Administrative Assistant
Community Development Specialist

CVRF is currently advertising for a Business Development Administrator and a Community Program Coordinator.

102. Complete annual performance evaluations of CVRF staff.

CVRF maintains records of evaluation due dates at the corporate headquarters. The supervisors are notified when staff evaluations are due. Evaluations are completed annually for all staff and kept in their personnel files.

Cash Management and Investments:

103. All investments are to be made in compliance with CVRF investment policy.

Coastal Villages has not opened any new investment accounts in 2003, but has made two new investments in fishing companies. CVRF is in compliance with its investment policy (investment policy can be found in the 2003-2005 CDP).

104. All investible cash and cash equivalents will be invested with the intent to earn a reasonable rate of return in relation to the current market conditions for short and long term holdings.

Liquid cash not needed for operations is held partly in money markets and partly in corporate and government bonds. The money market rate currently is less than one percent (and has been throughout the year). The return on the long-term investments in corporate and government bonds was approximately 2.39 percent as of the end of the year.

105. CVRF will complete its due diligence for all investments made in companies or in vessels.

During 2003, CVRF closed on two transactions in the crab sector to purchase a total of six vessels. In addition, CVRF is also currently going through an IPO process on an existing investment as well as continually watching for new investment opportunities. CVRF has completed all of its due diligence for all closed transactions. Due diligence is always completed before closing any transaction.

106. CVRF will review and analyze monthly cash flow projections and budget to actual reports to manage its cash flow and to determine the cash needs for investing.

Cash flow needs are analyzed on an on-going basis. CVRF prepares monthly cash flow projections, which are based on the approved budget, and compares them to actual results for the month. CVRF also prepares quarterly budget to actual reports and analyzes any material discrepancies. CVRF has revised the cash flow projections to compensate for actual results and changes in the 2003 budget. See also discussions on the budget and cash flow projections in numbers 90 – 92 above.

CDQ Contract Management:

107. CVRF will ensure that each royalty contract with harvesting partners is in full force and effect and regulatory requirements are met.

Throughout the year, all CVRF royalty contracts were in full force and effect, and regulatory requirements were met, except for an over-harvest of CDQ Arrowtooth flounder, in October 2003.

108. Obtain approvals for amendments to the royalty contracts as necessary and appropriate.

In the 1st, 2nd, 3rd, and 4th Quarters, no amendments to CVRF royalty contracts were necessary.

109. Monitor performance of harvesting partners and inform them of compliance issues.

CVRF's pollock harvesting partner went over our allocation of PSQ Chinook and PSQ Other Salmon. The company went over 392 PSQ Chinook and 1,650 PSQ Other Salmon in the 3rd Quarter. This put us over the limit by 391 ea. and 1,184 ea. respectively.

CDQ Quota Management

110. CVRF will allocate its allocations among its harvest partners and monitor the harvest of all allocations.

Throughout the year, CDQ allocations were budgeted and monitored as necessary.

111.Prepare CDQ harvest activity and status reports.

Throughout the year, CVRF prepared CDQ harvest activity and status reports as necessary.

112.Ensure that CVRF is in compliance with Federal, State, local regulatory and legal requirements.

All CVRF royalty contracts contain language requiring harvest partners to be in compliance with federal, state and local regulatory and other legal requirements. No instances of non-compliance were noted throughout the year, except for an over-harvest of CDQ Arrowtooth flounder, in October 2003.



B. Outreach

Outreach activities in the 4th Quarter of 2003:

- In November, the Rural Recruiter traveled to several communities, made thirty-one contacts, and handed out fourteen applications.
- CVRF sponsored fifty-nine students and twenty chaperones to attend the 2003 Alaska Federation of Natives Elders and Youth Convention.
- CVRF programs were presented during a community meeting held in Scammon Bay in November 2003.
- A youth drawing contest was held to determine the pictures for the 2004 CVRF calendar. Seventeen pictures were chosen out of several entries submitted from youths from many of the communities.
- American Seafoods and CVRF advertised employment opportunities in the Tundra Drums and the Delta Discovery.
- In October, CVRF and American Seafoods advertised in First Alaskans Magazine for employment opportunities.
- CVRF staff traveled to member and other region communities to recruit for “A” Season.
- CVRF staff conducted drug tests for candidates selected for “A” Season.
- CVRF held a staff meeting in Bethel in December 2003.
- Planning continued in the 4th Quarter for the 2003 Annual Report.
- As part of CVRF’s Continuous Improvement Programs, CVRF staff consisting of Community Development Team, Community Program Managers, Community Liaisons, Community Development Specialist, Employment Coordinator and Senior Accountant met in Bethel in December 2003.
- The CVRF newsletter was prepared for distribution to all box holders in all twenty communities, as well as to other business contacts.
- Community Liaisons traveled to communities to orient new Community Liaisons on programs and the administration of drug-testing procedures for industry partners.
- Business Development Specialists traveled to various CVRF member communities to meet with fisherman, traditional and city council members, and the public to discuss the Fisheries Support Center Project, building design and community planning.
- Sponsorship of the news continued on KYUK, KSKD and KCUK radio stations. Changes were made to the broadcast to promote the Louis Bunyan Memorial Scholarship and CVRF revolving loan.
- CVRF advertised the Louis Bunyan Scholarship and CVRF revolving loan program and made applications available locally in all twenty CVRF communities.
- CVRF advertised job openings for Community Liaison positions in several villages.
- The YK Delta Job Center advertised CVS job opening on KYUK, State of Alaska website, and faxed to tribal councils in the region.
- Newspaper ads were put in the Delta Discovery and Tundra Drums for the Louis Bunyan Memorial Scholarship and Loan Program deadlines and recruitment for the CVS salmon and halibut season.
- The Employment Coordinator met with current and prospective LBMS students at AVTEC in Seward.
- A Community Program Manager presented CVRF programs to teachers and staff in Chevak.
- A Community Liaison and the Rural Recruiter completed exit interviews for American Seafoods.
- CVRF had a job and program informational booth at the 2003 Alaska Federation of Natives Job Fair.



C. Employment

1. Data Form

	<u>1st Quarter</u>		<u>2nd Quarter</u>		<u>3rd Quarter</u>		<u>4th Quarter</u>		<u>Year-to-date</u>	
	<u>People</u>	<u>Wages</u>	<u>People</u>	<u>Wages</u>	<u>People</u>	<u>Wages</u>	<u>People</u>	<u>Wages</u>	<u>People</u>	<u>Wages</u>
CVRF:										
Program, General & Administrative ²	4	\$ 42,226	4	\$ 44,398	4	\$ 42,319	3	\$ 36,884	4	\$ 165,827
Community Liaisons	12	44,484	17	107,295	14	93,460	14	97,348	18	342,587
CVS:										
Onshore (Fishermen-Halibut)	-	-	128	107,375	131	112,454	50	7,295	168	227,124
Onshore (Fishermen-Salmon)	-	-	103	79,015	158	404,714	99	10,367	161	494,096
Onshore (Fishermen-Herring) ¹	-	-	85	242,703	22	7,158	-	-	107	249,861
Salmon & Halibut (CVS Mgmt.)	2	10,047	19	54,550	19	118,192	18	12,295	20	195,084
Processors & Misc. Jobs (CVS)	1	300	144	97,014	276	710,066	127	16,251	296	823,631
CDQ Pollock Related:										
American	24	63,570	28	280,975	7	27,462	7	35,686	31	407,693
Westward (non CDQ)	14	56,247	3	3,299	1	4,983	1	193	14	64,722
Other Fishing:										
Sablefish/Halibut (Ocean Harvester)	1	-	2	8,980	2	6,716	1	4,970	2	20,666
Crab, Cod, & Other (Icicle)	1	3,064	3	5,170	3	13,588	-	-	3	21,822
Crab & Cod (Prowler Fisheries)	1	-	-	-	-	-	-	-	1	-
Crab & Cod (Sanko Fisheries)	-	-	-	-	-	-	2	21,562	2	21,562
Other Employment:										
CVRF (contract)	-	-	-	-	-	-	-	-	-	-
Internships:										
CVRF	<u>1</u>	<u>796</u>	<u>1</u>	<u>1,610</u>	<u>1</u>	<u>4,181</u>	<u>1</u>	<u>424</u>	<u>2</u>	<u>7,011</u>
TOTAL	<u>61</u>	<u>\$ 220,734</u>	<u>537</u>	<u>\$ 1,032,384</u>	<u>638</u>	<u>\$ 1,545,293</u>	<u>323</u>	<u>\$ 243,275</u>	<u>829</u>	<u>\$ 3,041,686</u>

1 Herring and herring roe payments include cash payments from the herring processors. There would have been no herring processors operating in the CVRF region without Coastal's participation in the program.

2 Does not include residents from the communities with full time position working in the Anchorage office.

C. Employment, continued

2. Summary

CVS RELATED

Salmon and Halibut (CVS Management) – Earnings are reported as paid to 18 management positions in the 4th Quarter.

Processors & Misc. Jobs (CVS) – Earnings are reported as paid to 127 employees in the 4th Quarter.

CDQ POLLOCK RELATED

American Seafoods Company – Earnings are reported as paid to 7 CVRF residents in the 4th Quarter.

Westward Seafoods, Inc – Earnings are reported as paid to 1 CVRF resident in the 4th Quarter.

OTHER FISHING

Offshore (OH) – Earnings are reported as paid to 1 CVRF member in the 4th Quarter.

Offshore (Sanko) – Earnings are reported as paid to 1 CVRF member and 1 non-member in the 4th Quarter.

INTERNSHIPS

CVRF – Earnings are reported as paid to one Administrative Assistant Intern from Chevak in the 4th Quarter.

C. Employment, continued

	<u>Employees/Interns</u>			
	<u>(1) CVRF Earnings</u>	<u>Number of people</u>	<u>(1) CVS Earnings</u>	<u>Number of people</u>
Chefornak	23,831	1	41,821	19
Chevak	93,503	4	19,513	3
Eek	25,553	1	44,664	7
Goodnews Bay	9,811	1	20,773	4
Hooper Bay	19,742	1	200,452	53
Kipnuk	8,865	1	46,513	17
Kongiganak	21,229	1	3,739	2
Kwigillingok	-	-	11,965	2
Mekoryuk	36,637	2	61,103	37
Napakiaak	22,459	1	5,561	4
Napaskiak	41,963	2	3,791	1
Newtok	22,871	1	35,035	15
Nightmute	405	1	-	-
Oscarville	23,303	1	-	-
Platinum	-	-	-	-
Quinhagak	18,440	1	237,764	59
Scammon Bay	72,636	2	27,266	7
Toksook Bay	30,781	1	103,765	38
Tuntutuliak	23,783	1	7,746	4
Tununak	19,613	1	39,798	19
Total CVRF region	<u>515,425</u>	<u>24</u>	<u>911,269</u>	<u>291</u>
Bethel	-	-	14,349	2
Kalskag	-	-	4,014	1
Kwethluk	-	-	2,876	2
Mountain Village	-	-	46,247	10
Nunapitchuk	-	-	19,549	4
Pilot Station	-	-	10,517	3
St. Mary's	-	-	224	1
Twin Hills	-	-	9,670	2
Total other regions	<u>-</u>	<u>-</u>	<u>107,446</u>	<u>25</u>
Grand Total	<u>515,425</u>	<u>24</u>	<u>1,018,715</u>	<u>316</u>

(1) Does not include residents from the communities with full time position working in the Anchorage Office.

C. Employment, continued

3. Summary of employment for the period ending December 31, 2003

	<u>Employees</u>		<u>Fisherman</u>		<u>Herring²</u>	
	<u>Wages</u>	<u>Number</u>	<u>Payments</u>	<u>Number</u>	<u>Payments</u>	<u>Number</u>
CVS:						
CDQ - CVRF region	\$ 911,269	291	\$ 684,185	311	\$ 248,429	106
CDQ - other regions	66,433	15	1,459	2	-	-
Alaska - neighboring communities	41,013	10	35,576	16	1,432	1
Alaska - other	80,690	5	3,954	1	662	1
Non-Alaska	<u>171,274</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>3,204</u>	<u>1</u>
Total	<u>1,270,679</u>	<u>327</u>	<u>725,174</u>	<u>330</u>	<u>253,727</u>	<u>109</u>
CVRF ¹ :						
CDQ - CVRF region	<u>508,414</u>	<u>22</u>				
Total	<u>508,414</u>	<u>22</u>				
Off-shore:						
CDQ - CVRF region	505,945	47				
CDQ - other regions	22,372	4				
Alaska - neighboring communities	<u>8,148</u>	<u>2</u>				
Total	<u>536,465</u>	<u>53</u>				
Interns-						
CDQ - CVRF region	<u>7,011</u>	<u>2</u>				
TOTAL	<u>\$ 2,322,569</u>	<u>404</u>	<u>\$ 725,174</u>	<u>330</u>	<u>\$ 253,727</u>	<u>109</u>

1 Does not include residents from the communities with full time position working in the Anchorage office.

2 Herring and herring roe payments include cash payments from the herring processors. There would have been no herring processors operating in the CVRF region without Coastal's participation in the program.

D. Training

1. Data form	<u>1st Quarter</u>		<u>2nd Quarter</u>		<u>3rd Quarter</u>		<u>4th Quarter</u>		<u>Year-to-date</u>	
	<u>People</u>	<u>Expenditures</u>	<u>People</u>	<u>Expenditures</u>	<u>People</u>	<u>Expenditures</u>	<u>People</u>	<u>Expenditures</u>	<u>People</u>	<u>Expenditures</u>
Scholarships										
Postsecondary	31	\$ 43,447	1	\$ 1,084	34	\$ 53,932	1	\$ 1,700	49	\$ 100,163
Vocational	6	7,365	1	1,500	16	26,224	2	3,400	25	38,489
GED	-	-	3	663	-	-	-	-	3	663
Total	<u>37</u>	<u>50,812</u>	<u>5</u>	<u>3,247</u>	<u>50</u>	<u>80,156</u>	<u>3</u>	<u>5,100</u>	<u>77</u>	<u>139,315</u>
Voc-Tech Classes										
Basic	-	-	-	-	-	-	-	-	-	-
Advanced	-	-	-	-	-	-	-	-	-	-
Other Training										
Fisheries related	40	64,458	25	10,682	-	-	6	1,040	69	76,180
Student Loans	-	-	-	-	-	-	-	-	-	-
CDQ Staff/Board/Interns	17	15,093	14	7,248	28	27,719	7	1,950	39	52,010
Other	-	-	-	-	-	-	-	-	-	-
Total	<u>57</u>	<u>79,551</u>	<u>39</u>	<u>17,930</u>	<u>28</u>	<u>27,719</u>	<u>13</u>	<u>2,990</u>	<u>108</u>	<u>128,190</u>
Other Expenditures										
To Educational Institutions	N/A	-	N/A	-	N/A	-	N/A	-	N/A	-
Educational Endowment Funds	N/A	-	N/A	-	N/A	-	N/A	-	N/A	-
Other	<u>N/A</u>	<u>-</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>	<u>-</u>
TOTAL	<u>94</u>	<u>\$ 130,363</u>	<u>44</u>	<u>\$ 21,177</u>	<u>78</u>	<u>\$ 107,875</u>	<u>16</u>	<u>\$ 8,090</u>	<u>185</u>	<u>\$ 267,505</u>

D. Training, continued

2. Summary

SCHOLARSHIPS

The Louis Bunyan Memorial Scholarship dispersed an award to 1 applicant for postsecondary education and 2 applicants for vocational training in the 4th Quarter. LBMS expenditures in the 4th Quarter is \$5,100. The total expenditure in 2003 is \$139,315 for 77 eligible applicants.

OTHER TRAINING

Fisheries Related

6 CVRF Community members attended a Loan Training Program.

CDO STAFF/BOARD/INTERNS

7 staff members attended various training seminars.

D. Training, continued

	<u>Training</u>		<u>Scholarships</u>	
	<u>Disbursement</u>	<u>Number of people</u>	<u>Disbursement</u>	<u>Number of people</u>
Chefornak	4,131	3	1,700	1
Chevak	7,504	7	24,299	12
Eek	7,235	4	5,807	3
Goodnews Bay	966	1	638	2
Hooper Bay	19,353	18	16,000	7
Kipnuk	4,438	7	10,555	6
Kongiganak	879	1	2,000	2
Kwigillingok	-	-	11,714	7
Mekoryuk	3,592	4	13,665	7
Napakiaak	626	1	4,662	3
Napaskiak	1,397	2	1,020	1
Newtok	1,410	3	5,100	3
Nightmute	2,384	2	1,700	1
Oscarville	1,057	1	-	-
Platinum	-	-	1,735	1
Quinhagak	1,699	7	4,700	2
Scammon Bay	7,407	8	15,623	9
Toksook Bay	6,947	9	8,597	5
Tuntutuliak	4,416	3	4,700	2
Tununak	1,999	4	5,100	3
Total CVRF region	77,440	85	139,315	77
Mountain Village	14,429	4	-	-
St. Mary's	304	1	-	-
Total other regions	14,733	5	-	-
Grand Total	92,173	90	139,315	77

E. Other Issues

None noted.

III. Administration

A. State of Alaska Reporting Compliance

1. Board Member Changes:

In the 4th Quarter, Oscar Evon was seated as CVRF board secretary, Johnny Hawk and Jonathan Lewis won elections to the CVRF executive committee, and George Smith was elected to represent Scammon Bay. The CVRF Board decided to eliminate the non-voting member position.

2. Decisions.

See confidential section.

3. Minutes from any meetings.

See confidential section.

B. State of Alaska Reporting Compliance

CVRF submitted its 1st, 2nd, and 3rd Quarter 2003 reports in a timely manner, and will submit this 4th Quarter 2003 report on time. Additionally, CVRF submitted amendments as required under state and federal regulations.

C. Amendment Status

Several amendments were submitted during 2003.

Transfer of pollock from BBEDC:

During January 2003 CVRF submitted amendment #2003-01CV for approval requesting the transfer of 11,000 MT of BBEDC's pollock allocation to CVRF. This amendment was approved.

Transfer of various species to BBEDC:

During January 2003 CVRF submitted amendment #2003-02CV for approval requesting the transfer of various species, to include Atka Mackerel, Pacific ocean perch, groundfish, and related bycatch to BBEDC. This amendment was approved.

Transfer of pollock from CBSFA:

During January 2003 CVRF submitted amendment #2003-03CV for approval requesting the transfer of CBSFA's pollock allocation to CVRF. This amendment was approved.

Alaskan Enterprise and Karin Lynn:

During February 2003 CVRF submitted amendment #2003-04CV for approval for the purchase of the crab boats Alaskan Enterprise and Karin Lynn. This amendment was approved.

Transfer of various species to BBEDC:

During February 2003 CVRF submitted amendment #2003-05CV for approval requesting the additional transfer of various species, to include Atka Mackerel, Pacific ocean perch, groundfish, and related bycatch to BBEDC. This amendment was approved.

Annual Housekeeping:

During February 2003 CVRF submitted amendment #2002-06CV for the annual housekeeping. This amendment highlights the changes in the board membership, changes in key staff, changes in subsidiaries, and changes to harvesting contracts. This amendment was approved.

#2003-06CV:

During March 2003 CVRF submitted amendment #2003-06CV (duplicate number). This transaction never closed. This amendment was approved

Transfer of opilio crab from YDFDA:

During February 2003 CVRF submitted amendment #2003-07CV for approval requesting the transfer of 1,843 pounds of YDFDA's opilio crab to CVRF. This amendment was not required to be submitted to the State but was approved by Alaska Department of Fish and Game.

Transfer of pollock from NSEDC:

During March 2003 CVRF submitted amendment #2003-08CV for approval requesting the transfer of 1,500 MT of NSEDC's pollock allocation to CVRF. This amendment was approved.

Mekoryuk Reindeer Project:

During March 2003 CVRF informally submitted amendment #2003-09CV requesting for CVRF to participate/invest in the Mekoryuk Reindeer Project. This amendment has been denied; however, CVRF is looking forward to beginning this project with the implementation of the new CDQ regulations.

Transfer of other species to BBEDC:

During March 2003 CVRF submitted amendment #2003-10CV for approval requesting the transfer of 10 MT of CVRF's other species allocation to BBEDC. This amendment was approved.

Blue North Group:

During May 2003 CVRF submitted amendment #2003-11CV for approval for the purchase of the crab boats Tempest, Blue Aleutian, Sultan, and Blue Dutch. This amendment was approved.

Transfer of AI Sablefish to YDFDA:

During June 2003 CVRF submitted amendment #2003-12CV for approval requesting the transfer of 60 MT of CVRF's AI sablefish allocation to YDFDA. This amendment was approved.

Non-Specific Reserve:

During July 2003 CVRF submitted amendment #2003-13CV for approval requesting the transfer of 75.702 MT from CVRF's non-specific reserve to other species. This amendment was approved.

Transfer of Other Species from BBEDC:

During July 2003 CVRF submitted amendment #2003-14CV for approval requesting the transfer of 19 MT of BBEDC's other species allocation to CVRF. This amendment was approved.

2003 Budget Revision:

During September 2003 CVRF submitted amendment #2003-15CV for approval requesting a revision of the 2003 operating budgets. This amendment was approved.

Transfer of various species to BBEDC:

During September 2003 CVRF submitted amendment #2003-16CV for approval requesting the transfer of various species, to include Atka Mackerel and Pacific ocean perch, to BBEDC. This amendment was approved.

Transfer of various species to CBSFA:

During October 2003 CVRF submitted amendment #2003-17CV for approval requesting the transfer of various species, to include 1,200 MT of pollock, to CBSFA. This amendment was approved.

Transfer of various species to BBEDC:

During October 2003 CVRF submitted amendment #2003-18CV for approval requesting the transfer of various flatfish to BBEDC. This amendment was approved.

Transfer of various species to CBSFA:

During October 2003 CVRF submitted amendment #2003-19CV for approval requesting the transfer of various species, to include 100 MT of pollock, to CBSFA. This amendment was approved.

Transfer of various species to NSEDC:

During October 2003 CVRF submitted amendment #2003-20CV for approval requesting the transfer of various species, to include 43 MT of pollock, to NSEDC. This amendment was approved.

Transfer of various species to YDFDA:

During November 2003 CVRF submitted amendment #2003-21CV for approval requesting the transfer of various species to YDFDA. This amendment was approved.

Unused Amendment Number:

Amendment #2003-22CV is an unused amendment number.

Transfer of Pacific cod and related bycatch to CBSFA:

During December 2003 CVRF submitted amendment #2003-23CV for approval requesting the transfer of Pacific cod and related bycatch to CBSFA. This amendment was approved.

D. Other Issues

None noted.

IV. Harvesting Report

A. Pollock & Multi-species CDQ Harvest Activities by Target Fishery

CVRF Pollock Target Fishery Harvest Activity								
As of December 31, 2003								
CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (40%)	mt	23,204.416	23,162.180	-	-		23,162.180	99.8%
B Season (60%)	mt	31,213.624	-	-	28,509.998	2,752.119	31,262.117	100.2%
BS Pollock Total	mt	54,418.040	23,162.180	-	28,509.998	2,752.119	54,424.297	100.0%
Bycatch								
Pacific Cod	mt	-	103.462	-	96.160	5.58	205.198	-
BS FG Sablefish	mt	-	-	-	-	-	-	-
AI FG Sablefish	mt	-	-	-	-	-	-	-
BS Sablefish	mt	-	0.023	-	1.270	1.463	2.756	-
AI Sablefish	mt	-	-	-	-	-	-	-
WAI Atka Mackerel 543	mt	-	-	-	-	-	-	-
CAI Atka Mackerel 542	mt	-	-	-	-	-	-	-
EAI/BS Atka Mackerel 541	mt	-	0.009	-	0.179	0.022	0.210	-
Yellowfin Sole	mt	-	0.440	-	0.001	-	0.441	-
Rock Sole	mt	-	27.788	-	4.545	2.392	34.725	-
BS Greenland Turbot	mt	-	2.866	-	8.407	0.080	11.353	-
AI Greenland Turbot	mt	-	-	-	-	-	-	-
Arrowtooth Flounder	mt	-	4.299	-	64.752	12.194	81.245	-
Flathead Sole	mt	-	22.952	-	58.949	7.624	89.525	-
Other Flatfish	mt	-	1.358	-	17.596	2.435	21.389	-
Alaska Plaice	mt	-	0.120	-	0.016	-	0.136	-
BS Pacific Ocean Perch	mt	-	0.416	-	2.987	0.504	3.907	-
WAI Pacific Ocean Perch 543	mt	-	-	-	-	-	-	-
CAI Pacific Ocean Perch 542	mt	-	-	-	-	-	-	-
EAI Pacific Ocean Perch 541	mt	-	-	-	-	-	-	-
AI Northern Rockfish	mt	-	-	-	-	-	-	-
AI Shortraker/Rougheye Rockfish	mt	-	-	-	-	-	-	-
BS Other Rockfish	mt	-	0.601	-	0.308	0.062	0.971	-
AI Other Rockfish	mt	-	-	-	-	-	-	-
Other Species	mt	-	18.841	-	33.010	5.302	57.153	-
PSQ Reserve Category								
Zone 1 Red King Crab	ea	-	-	-	-	-	-	-
Zone 1 Bairdi Tanner Crab	ea	-	32	-	-	-	32	-
Zone 2 Bairdi Tanner Crab	ea	-	-	-	-	-	-	-
Opilio Tanner Crab	ea	-	13	-	58	0	71	-
Pacific Halibut (mortality)	mt	-	1.882	-	8.524	2.190	12.596	-
Chinook Salmon	ea	-	743	-	468	20	1,232	-
Non-Chinook Salmon	ea	-	-	-	2,055	79	2,134	-

CVRF Pacific Cod Target Fishery Harvest Activity
Quarter ended December 31, 2003

CDQ Reserve Category	Units	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	% of Target Harvest
A Season (60%)	mt	1,531.104	776.033	745.278	-	-	1,521.311	99.36%
B Season (40%)	mt	810.896	-	231.437	587.500	-	820.410	101.17%
Pacific Cod Total	mt	2,342.000	776.033	976.715	587.500	-	2,341.721	99.99%
Bycatch								
Non Pollock Quota	mt	-	-	-	-	-	-	-
BS FG Sablefish	mt	-	-	-	-	-	-	-
AI FG Sablefish	mt	-	-	-	-	-	-	-
BS Sablefish	mt	-	-	0.012	0.297	-	0.309	-
AI Sablefish	mt	-	-	-	-	-	-	-
WAI Atka Mackerel 543	mt	-	-	-	-	-	-	-
CAI Atka Mackerel 542	mt	-	-	-	-	-	-	-
EAI/BS Atka Mackerel 541	mt	-	-	-	0.017	-	0.017	-
Yellowfin Sole	mt	-	0.020	1.520	3.505	-	5.045	-
Rock Sole	mt	-	1.409	1.233	0.694	-	3.336	-
BS Greenland Turbot	mt	-	-	0.699	1.316	-	2.015	-
AI Greenland Turbot	mt	-	-	-	-	-	-	-
Arrowtooth Flounder	mt	-	1.199	8.316	16.913	-	26.428	-
Flathead Sole	mt	-	3.882	3.678	2.482	-	10.042	-
Other Flatfish	mt	-	0.101	0.182	0.231	-	0.514	-
Alaska Plaice	mt	-	-	0.005	-	-	0.005	-
BS Pacific Ocean Perch	mt	-	-	-	-	-	-	-
WAI Pacific Ocean Perch 543	mt	-	-	-	-	-	-	-
CAI Pacific Ocean Perch 542	mt	-	-	-	-	-	-	-
EAI Pacific Ocean Perch 541	mt	-	-	-	-	-	-	-
AI Northern Rockfish	mt	-	-	-	-	-	-	-
AI Shortraker/Rougheye Rockfish	mt	-	-	-	0.302	-	0.302	-
BS Other Rockfish	mt	-	0.025	-	0.006	-	0.031	-
AI Other Rockfish	mt	-	-	-	-	-	-	-
Other Species	mt	-	99.968	163.621	75.833	-	339.422	-
PSQ Reserve Category								
Zone 1 Red King Crab	ea	-	-	-	-	-	-	-
Zone 1 Bairdi Tanner Crab	ea	-	-	-	-	-	-	-
Zone 2 Bairdi Tanner Crab	ea	-	-	-	-	-	-	-
Opilio Tanner Crab	ea	-	-	-	-	-	-	-
Pacific Halibut (mortality)	mt	-	1.069	8.794	4.036	-	13.899	-
Chinook Salmon	ea	-	-	-	-	-	-	-
Non-Chinook Salmon	ea	-	-	-	-	-	-	-

CVRF Halibut Harvest Activity
Quarter Ended December 31, 2003

CDQ Reserve Category	Units	Annual Allocation	Transferred In	Transferred Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	Percent Harvested	Remaining Allocation
Halibut - 4B	lbs	-	-	-	-	-	-	-	-	-	-	-
Halibut - 4C	lbs	-	-	-	-	-	-	-	-	-	-	-
Halibut - 4D	lbs	146,160	-	-	146,160	-	-	146,160	-	146,160	100.00%	-
Halibut - 4E	lbs	273,000	-	-	273,000	-	85,900	89,355	-	175,255	64.20%	97,745

CVRF Crab Harvest Activity														
Quarter Ended December 31, 2003														
CDQ Reserve Category	Units	Annual Allocation	Transferred In	Transferred Out	Allocation after transfers	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD Harvest	CVRF Harvested	YDFDA Harvested	Percent Harvested	Remaining Allocation
Bering Sea C. <i>Opilio</i> (snow) Tanner crab	lbs	360,508	1,843	-	362,351	362,123				362,123	360,394	1,729	99.94%	228
Bering Sea C. <i>Bairdi</i> Tanner crab	lbs	-	-	-	-	-				-	-	-	-	-
Bristol Bay Red King crab	lbs	210,067	-	-	210,067	-			209,852	209,852	209,852	-	99.90%	215
Norton Sound Red King crab	lbs	-	-	-	-	-				-	-	-	-	-
Pribilof Red & Blue King crab	lbs	-	-	-	-	-				-	-	-	-	-
St Matthew Blue King crab	lbs	-	-	-	-	-				-	-	-	-	-

A. Summary, continued

Pollock – The F/V Northern Eagle, F/V Ocean Rover, F/V Northern Jaeger, F/V American Triumph and F/V Northern Hawk harvested 54,424.297 mt in this CDQ fishery in 2003 for the total pollock pool. The vessels have harvested 100.01% of quota. One of the observers changed one haul from open access to CDQ about a month after we were done fishing, which put us over our Pollock Quota. The F/V Jaeger put us over our limit of arrowtooth bycatch so we transferred the remaining Pollock quota to our partner CBSFA to finish the season.

Pacific cod – The F/V Deep Pacific, F/V North Cape and F/V Lilli Ann and F/V Ocean Harvester harvested 2,341.721 mt of Pacific cod in 2003. The vessels have harvested 99.99% of quota. There were no unusual bycatch issues associated with this fishery.

FG Sablefish-AI – CVRF pooled our Sablefish Quota with Yukon Delta Fisheries Development Association. Please see their 2003 report for additional harvest information.

Halibut – Area 4D – F/V Ocean Harvester and F/V Middle Pass harvested all 146,160 lbs of halibut in 2003.

Halibut – Area 4E – CVRF resident fishermen caught 175,225 lbs. of Pacific halibut in the 2003. All fish were delivered to and processed by CVRF region shoreside plants.

Atka mackerel/POP – US Seafoods is harvesting CVRF's Atka mackerel and pacific ocean perch (POP) CDQ in 2003. CVRF transferred its available targeted Atka mackerel and POP to BBEDC. Please see their 2003 report for additional harvest information.

Flathead/Rock/Yellowfin sole – CVRF transferred its available targeted flathead sole, rock sole and flathead sole to BBEDC to be harvested by US Seafoods. Please see their 2003 report for additional harvest information.

Snow/Tanner crab (Opilio) – The C/P Alaskan Enterprise harvested 362,123 lbs. of snow crab in 2003.

Bristol Bay Red King crab – The C/P Alaskan Enterprise harvested 209,852 lbs. of red king crab in 2003.

B. CDQ Harvest by Quarter and Year-to-Date

MS CDQ / PSQ Account Status Report 2003													
CDQ Group: CVRF CDQ Reserve Category	Units	Initial Allocation	Transferred In	Transferred Out	Allocation after transfers	CDQ / PSQ Catch Reported				YTD Harvest	Percent Harvested	CDQ / PSQ Remaining	Percent Remaining
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr				
BS Pollock	mt	35,802.240	19,958.800	1,343.000	54,418.040	23,162.180	-	28,509.998	2,752.119	54,424.297	100.01%	(6.257)	0.00%
Pacific Cod	mt	2,801.340	63.000	312.500	2,551.840	879.495	976.715	685.134	5.575	2,546.919	99.81%	4.921	0.19%
BS FG Sablefish	mt	-	-	-	-	-	-	-	-	-	-	-	-
AI FG Sablefish	mt	125.550	-	60.000	65.550	-	-	-	-	-	-	65.550	100.00%
BS Sablefish	mt	14.170	-	8.968	5.202	0.023	0.012	1.258	1.463	2.756	52.98%	2.446	47.02%
AI Sablefish	mt	7.540	-	6.250	1.290	-	-	-	-	-	-	1.290	100.00%
WAI Atka Mackerel 543	mt	224.850	-	223.833	1.017	-	-	-	-	-	-	1.017	100.00%
CAI Atka Mackerel 542	mt	330.300	-	329.450	0.850	-	-	-	-	-	-	0.850	100.00%
EAI/BS Atka Mackerel 541	mt	119.850	1.378	118.792	2.436	0.009	-	0.196	0.022	0.227	9.32%	2.209	90.68%
Yellowfin Sole	mt	376.860	25.025	296.950	104.935	0.460	1.520	3.506	-	5.486	5.23%	99.449	94.77%
Rock Sole	mt	363.000	49.000	259.400	152.600	29.197	1.233	5.239	2.392	38.061	24.94%	114.539	75.06%
BS Greenland Turbot	mt	34.170	-	18.350	15.820	2.866	0.699	9.723	0.080	13.368	84.50%	2.452	15.50%
AI Greenland Turbot	mt	17.820	-	15.000	2.820	-	-	-	-	-	-	2.820	100.00%
Arrowtooth Flounder	mt	99.450	16.000	19.500	95.950	5.498	8.316	81.665	12.194	107.673	112.22%	(11.723)	0.00%
Flathead Sole	mt	225.000	57.000	109.250	172.750	26.834	3.678	61.431	7.624	99.567	57.64%	73.183	42.36%
Other Flatfish	mt	18.000	8.500	3.840	22.660	1.459	0.182	17.827	2.435	21.903	96.66%	0.757	3.34%
Alaska Plaice	mt	180.000	8.750	142.000	46.750	0.120	0.005	0.016	-	0.141	0.30%	46.609	99.70%
BS Pacific Ocean Perch	mt	22.260	1.900	14.300	9.860	0.416	-	2.987	0.504	3.907	39.62%	5.953	60.38%
WAI Pacific Ocean Perch 543	mt	65.850	-	65.100	0.750	-	-	-	-	-	-	0.750	100.00%
CAI Pacific Ocean Perch 542	mt	37.650	-	36.900	0.750	-	-	-	-	-	-	0.750	100.00%
EAI Pacific Ocean Perch 541	mt	39.450	-	33.700	5.750	-	-	-	-	-	-	5.750	100.00%
AI Northern Rockfish	mt	66.150	-	65.000	1.150	-	-	-	-	-	-	1.150	100.00%
AI Shortraker/Rougheye Rockfish	mt	10.540	-	7.950	2.590	-	-	-	-	-	-	2.590	100.00%
BS Other Rockfish	mt	12.240	0.780	7.000	6.020	0.626	-	0.314	0.062	1.002	16.64%	5.018	83.36%
AI Other Rockfish	mt	8.160	-	4.000	4.160	-	-	-	-	-	-	4.160	100.00%
Other Species	mt	329.528	126.702	57.750	398.480	118.809	163.621	108.843	5.302	396.575	99.52%	1.905	0.48%
PSQ Reserve Category													
Zone 1 Red King Crab	ea	873	-	437	436	-	-	-	-	-	-	436	100.00%
Zone 1 Bairdi Tanner Crab	ea	5,880	8	2,940	2,948	32	-	-	-	32	1.09%	2,916	98.91%
Zone 2 Bairdi Tanner Crab	ea	24,503	2	12,250	12,255	-	-	-	-	-	-	12,255	100.00%
Opilio Tanner Crab	ea	32,625	117	16,313	16,429	13	-	58	-	71	0.43%	16,358	99.57%
Pacific Halibut (mortality)	mt	41.160	6.000	6.000	41.160	2.951	8.794	12.556	2.190	26.491	64.36%	14.669	35.64%
Chinook Salmon	ea	594	246	-	840	743	-	468	20	1,231	146.57%	(391)	-
Non-Chinook Salmon	ea	756	194	-	950	-	-	2,055	79	2,134	224.60%	(1,184)	-
<i>Non-Specific Reserve</i>	mt	75.702	-	75.702	-	-	-	-	-	-	-	-	-

CVRF Pollock Target Fishery Harvest Activity

As of December 31, 2003

CDQ Reserve Category	Units	Initial Allocation Amt	Non- Specific	Transferred In NSED	Transferred In CBSFA	Transferred In BBEDC	Transferred Out	Allocation after transfers	Portion of CDQ Group's Transferred Quota Harvested				Harvested Total	% of Target Harvest
									NSED	CBSFA	BBEDC	CVRF		
BS Pollock	mt	35,802.240	-	1,500.000	7,458.800	11,000.000	1,343.000	54,418.040	1,497.276	7,460.066	11,001.867	35,808.316	54,424.297	100.01%
Pacific Cod	mt	2,801.340	-	-	20.000	43.000	312.500	2,551.840	-	28.923	42.654	133.621	205.198	8.04%
BS FG Sablefish	mt	-	-	-	-	-	-	-	-	-	-	-	-	-
AI FG Sablefish	mt	125.550	-	-	-	-	60.000	65.550	-	-	-	-	-	-
BS Sablefish	mt	14.170	-	-	-	-	8.968	5.202	-	-	-	2.756	2.756	52.98%
AI Sablefish	mt	7.540	-	-	-	-	6.250	1.290	-	-	-	-	-	-
WAI Atka Mackerel 543	mt	224.850	-	-	-	-	223.833	1.017	-	-	-	-	-	-
CAI Atka Mackerel 542	mt	330.300	-	-	-	-	329.450	0.850	-	-	-	-	-	-
EAI/BS Atka mackerel 541	mt	119.850	-	-	1.278	0.100	118.792	2.436	-	0.030	0.044	0.137	0.210	8.62%
Yellowfin Sole	mt	376.860	-	-	5.025	20.000	296.950	104.935	-	0.062	0.092	0.287	0.441	0.42%
Rock Sole	mt	363.000	-	-	18.000	31.000	259.400	152.600	-	4.894	7.218	22.612	34.725	22.76%
BS Greenland Turbot	mt	34.170	-	-	-	-	18.350	15.820	-	1.600	2.360	7.393	11.353	71.76%
AI Greenland Turbot	mt	17.820	-	-	-	-	15.000	2.820	-	-	-	-	-	-
Arrowtooth Flounder	mt	99.450	-	-	8.000	8.000	19.500	95.950	-	8.000	8.000	65.245	81.245	84.67%
Flathead Sole	mt	225.000	-	-	27.000	30.000	109.250	172.750	-	12.619	18.609	58.297	89.525	51.82%
Other Flatfish	mt	18.000	-	-	4.500	4.000	3.840	22.660	-	3.015	4.446	13.928	21.389	94.39%
Alaska Plaice	mt	180.000	-	-	3.750	5.000	142.000	46.750	-	0.019	0.028	0.089	0.136	0.29%
BS Pacific Ocean Perch	mt	22.260	-	-	1.000	0.900	14.300	9.860	-	0.551	0.812	2.544	3.907	39.62%
WAI Pacific Ocean Perch 543	mt	65.850	-	-	-	-	65.100	0.750	-	-	-	-	-	-
CAI Pacific Ocean Perch 542	mt	37.650	-	-	-	-	36.900	0.750	-	-	-	-	-	-
EAI Pacific Ocean Perch 541	mt	39.450	-	-	-	-	33.700	5.750	-	-	-	-	-	-
AI Northern Rockfish	mt	66.150	-	-	-	-	65.000	1.150	-	-	-	-	-	-
AI Shortraker/Rougheye Rockfish	mt	10.540	-	-	-	-	7.950	2.590					-	
BS Other Rockfish	mt	12.240	-	-	0.480	0.300	7.000	6.020	-	0.137	0.202	0.632	0.971	16.13%
AI Other Rockfish	mt	8.160	-	-	-	-	4.000	4.160	-	-	-	-	-	-
Other Species	mt	329.528	75.702	-	13.000	38.000	57.750	398.480	-	8.056	11.880	37.217	57.153	14.34%
PSQ Reserve Category														
Zone 1 Red King Crab	ea	873	-	-	-	-	437	436	-	-	-	-	-	-
Zone 1 Bairdi Tanner Crab	ea	5,880	-	-	8		2,940	2,948	-	5	-	27	32	-
Zone 2 Bairdi Tanner Crab	ea	24,503	-	-	2	-	12,250	12,255	-	-	-	-	-	-
Opilio Tanner Crab	ea	32,625	-	-	52	65	16,313	16,429	-	10	15	46	71	0.43%
Pacific Halibut (mortality)	mt	41.160	-	-	3.500	2.500	6.000	41.160	-	1.775	2.618	8.202	12.596	30.60%
Chinook Salmon	ea	594	-	-	124	122	-	840	-	124	122	986	1,232	-
Non-Chinook Salmon	ea	756	-	-	139	55	-	950	-	139	55	1,940	2,134	-

C. Compliance

No compliance issues were noted during the 4th Quarter, except for an over-harvest of CDQ Arrowtooth flounder, in October 2003.

D. Other Fishing Issues/Activities

Halibut - F/V Middle Pass harvested 92,811 lbs of 4D halibut in August and delivered it to Trident's facility on St. Paul Island. Neither the F/V Middle Pass nor Trident possessed an agreement with CVRF to harvest or process CDQ. CVRF is pursuing legal action in this matter.

Pollock - American Seafoods went over the allocation pool for PSQ Chinook, PSQ Other Salmon and Arrowtooth Flounder.